

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

April 19, 2011

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012 **ADOPTED**

BOARD OF SUPERVISORS COUNTY OF LOS ANGELES

#42 APRIL 19, 2011

SACHI A. HAMAI EXECUTIVE OFFICER

Dear Supervisors:

FUNDING SUPPLEMENT FOR AS-NEEDED EMERGENCY REMOVAL OF HAZARDOUS MATERIAL PROGRAM (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

This action is to supplement the annual aggregate program amount for As-Needed Emergency Removal of Hazardous Material Program for the current contract year, to allow sufficient funds to be available for this program due to a large-scale spill response in the Dominguez Channel, which is anticipated to deplete most of the current contract year's contract amount.

IT IS RECOMMENDED THAT YOUR BOARD:

- 1. Find that the supplemented contract work is categorically exempt from the provisions of the California Environmental Quality Act.
- 2. Approve supplementing the As-Needed Emergency Removal of Hazardous Material Program by \$550,000 for the current contract year, increasing the annual aggregate program amount for the current contract year from \$770,000 to \$1,320,000 for services under Contract No. 001588 with Ocean Blue Environmental Services, Inc., for a potential maximum program sum of \$4,710,000, for a maximum potential term of seven years.
- 3. Authorize the Director of Public Works or her designee to annually increase the program's aggregate annual amount up to an additional 10 percent for unforeseen, additional work within the scope of the program, if required.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to supplement the current contract year's amount for a large-scale petroleum discharge response in the Dominguez Channel. On January 9, 2011, the Department of Public Works (Public Works) was informed of petroleum discharge coming from the bottom of Dominguez Channel just downstream from the Carson Street bridge in the City of Carson. It is suspected that the petroleum product is either from an old underground gasoline plume that has now come to the surface or from nearby petroleum lines. Public Works is providing containment and cleanup, and is assisting the Federal Environmental Protection Agency in its investigation to determine the source and the responsible party. Public Works is also seeking reimbursement for costs in responding to this incident from Federal sources, which has now reached an amount of \$400,000 and is still ongoing at a rate of \$7,000 per day. The total contract amount expended to date is approximately \$600,000. To be prepared for future large scale spill responses throughout Los Angeles County, an increase in program amount is being requested for the remainder of this contract year.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The contractor who has the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support Public Works in meeting these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The additional \$550,000 for this contract year will increase the program's aggregate annual amount from \$770,000 to \$1,320,000 plus 10 percent of the program's annual amount for unforeseen, additional work within the scope of the program, if required.

Funds for the current contract year are available in the Fiscal Year 2010-11 Flood Control District Fund and Road Fund Budgets. When the need arises for services under this program, financing for the required services will be from the appropriate fund source. Total annual expenditures for these services, however, will not exceed the amount approved by your Board, and no services will be ordered without the funding authorization of Public Works Financial Management Branch.

Funds to finance the program's remaining contract year, future option year, and 10 percent additional funding for contingencies will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 10, 2006, Agenda Item 44, your Board approved Contract No. 001587 with United Pumping Service, Inc., located in the City of Industry, California; and Contract No. 001588 with Ocean Blue Environmental Services, Inc., located in Long Beach, California, for As-Needed

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Emergency Removal of Hazardous Material Program, authorizing aggregate annual program expenditures of \$350,000 starting on February 1, 2006, for a period of one year with four renewal option years, not to exceed a total contract period of five years.

On June 7, 2006, Agenda Item 43, your Board approved a supplement for the initial contract year's aggregate program amount for the As-Needed Emergency Removal of Hazardous Material Program by increasing the annual aggregate amount from \$350,000 to \$700,000. The program's aggregate program annual amount remained at \$350,000 for subsequent contract years.

On October 21, 2008, Agenda Item 33, your Board approved supplementing the As Needed Emergency Removal of Hazardous Material Program by \$150,000 for the contract's third year and for each of the remaining two option years, increasing the aggregate annual program amount from \$350,000 to \$500,000 for services under Contract No. 001587 with United Pumping Service, Inc., and Contract No. 001588 with Ocean Blue Environmental Services, Inc.

On September 8, 2009, Agenda Item 15, your Board approved a 6 percent cost reduction with Ocean Blue Environmental Services, Inc., Contract No. 001588. The contract's fourth year term was extended for an additional two-year period with one 1-year renewal option year remaining for a total potential contract period of seven years. The program's aggregate annual amount was reduced from \$500,000 to \$470,000 starting on February 1, 2010, the first year of the two-year extension period. The contract is currently in the second year of its two-year extension period. Contract No. 001587 with United Pumping Service, Inc., was not extended since the contractor did not offer a cost reduction; therefore, Ocean Blue is the only contractor remaining in this program. All other terms, conditions, requirements, prices, and specifications of the contracts will remain unchanged.

On December 7, 2010, Agenda Item 32, your Board approved supplementing the program amount for the contract year that expired on January 31, 2011, by \$100,000 from \$470,000 to \$570,000. Your Board also increased the program's annual amount by \$300,000, from \$470,000 to \$770,000 for this contract year and the remaining option year.

This supplement will increase the aggregate annual program amount for the current contract year from \$770,000 to \$1,320,000, for a potential maximum sum of \$4,710,000. The program's aggregate program annual amount will remain at \$770,000 for the remaining option year.

This contract allows your Board to increase the program sum as needed; therefore, an amendment to the existing contract is not necessary.

ENVIRONMENTAL DOCUMENTATION

These services continue to be categorically exempt from the provisions of the California Environmental Quality Act (CEQA). These services are within a class of projects that has been determined not to have a significant effect on the environment in that they meet the criteria set forth in Section 15330 of CEQA.

<u>IMPACT ON CURRENT SERVICES (OR PROJECTS)</u>

The approval of this request will not result in any impact on other current services or projects.

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CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Administrative Services Division.

Respectfully submitted,

GAIL FARBER

Director

GF:GZ:cg

c: Chief Executive Office (Rita Robinson)

Hail Farher

County Counsel Executive Office